

# Voluntary Film Credit Audits

Updated February 6, 2012

The Georgia Department of Revenue is pleased to announce a voluntary program for Film Credit verification.

This program becomes effective January 1, 2012 and will provide producers a review and verification of transactions that are eligible for the Georgia Film Credit.

This review will require a fee deposit. This fee deposit will be determined based upon the total production costs within the State of Georgia. The fee deposit-cost is outlined below

|   |                  |
|---|------------------|
| Production costs of \$500,000 to \$1,000,000    | \$ 5,000 Deposit |
| Production costs of \$1,000,000 to \$5,000,000  | \$10,000 Deposit |
| Production costs of \$5,000,000 to \$10,000,000 | \$15,000 Deposit |
| Production costs in excess of \$10,000,000      | \$20,000 Deposit |

The application form is below and must be completed and submitted to the Department. Upon receipt of the application and deposit the Department will contact to coordinate this verification.

Verification documents will be discussed with each requester and a mutually agreed upon time will be scheduled to coordinate such review.

The requester will be responsible for an hourly fee and out of pocket expenses incurred by the Department. A fee of \$55.00 per hour, per auditor will be charged for each review, thus any portion of the Deposit which is not used, will be returned to the requester. If costs incurred exceed the amount of the deposit, the requester will be required to remit this additional amount.

Verification reviews will be done on a first come/first serve basis and all pertinent transaction documents, accounting source documents and other requested data will be required to be made available at the time of the scheduled review.

Application and deposit fees are to be sent to the address listed below:

Georgia Department of Revenue

1800 Century Blvd NE

Suite 18100

Atlanta, GA 30345

Attn: Compliance Division – Film Credit Application Review

Once the audit is complete, the Department will issue a verification letter for the amount of credits they were able to verify. The verification language will read as follows:

“The Department has audited the Film Tax Credit for the year ending MM/DD/YYYY. The Department has verified \$AMOUNT of Film Tax Credits. Absent a finding of fraud, the Department shall be bound by the findings of this Film Tax Credit audit, even if the Department subsequently performs an audit for non Film Tax Credit reasons.”

If the Department verifies an amount that is smaller than the taxpayer believes they are entitled to, the tax return has not yet been filed by the taxpayer, and the taxpayer still believes the larger amount qualifies, the taxpayer should claim the larger amount on their return when it is filed. Once it is disallowed by the Department, the taxpayer will have the normal appeal rights that are available with respect to credits that are disallowed on a tax return.

For further information or specific questions, please contact: Anita M. DeGumbia: 404-417-6436

**FILM CREDIT APPLICATION FORM**  
**GEORGIA DEPARTMENT OF REVENUE**

Applicant Name: \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Contact Name and Phone Number: \_\_\_\_\_

**NAME OF PRODUCTION:** \_\_\_\_\_

**TYPE OF PRODUCTION:** \_\_\_\_\_

Date of Production work in Georgia: \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_

Amount of Qualified Production Costs \_\_\_\_\_

Copy of Certification Letter Attached \_\_\_\_\_ Yes \_\_\_\_\_ No

**Records maintained at:** \_\_\_\_\_ address

\_\_\_\_\_ city, state, zip

**Audit Contact Person:** \_\_\_\_\_ **Telephone Number** \_\_\_\_\_

Records format:

Hardcopies \_\_\_\_\_

Electronic \_\_\_\_\_

Both \_\_\_\_\_

Other (explain) \_\_\_\_\_

|                     |                          |                                    |                         |
|---------------------|--------------------------|------------------------------------|-------------------------|
| <b>Deposit Fee:</b> | <b>Production Costs:</b> | <b>\$ 500,000 to \$ 1,000,000</b>  | <b>\$ 5,000 Deposit</b> |
|                     |                          | <b>\$1,000,000 to \$ 5,000,000</b> | <b>\$10,000 Deposit</b> |
|                     |                          | <b>\$5,000,000 to \$10,000,000</b> | <b>\$15,000 Deposit</b> |
|                     |                          | <b>In Excess of \$10,000,000</b>   | <b>\$20,000 Deposit</b> |

**Deposit Fee Amount Enclosed** \_\_\_\_\_

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